

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of
Engelhardt et al.
Application No. 08/486,069
Filed: June 7, 1995
Atty Docket No. ENZ-
5(D8)(C2)

OFFICE OF PETITIONS
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**REQUEST TO VACATE ORDER TO SHOW CAUSE WHY DECISION
REVIVING THIS APPLICATION SHOULD NOT BE VACATED**

Sir:

This is a Request to Vacate the Order to Show Cause Why Decisions Reviving Applications Should Not Be Vacated ("Order") issued in the above-captioned application. A Request to Expedite the treatment of this petition and a Petition to Expunge are being submitted separately.

Petitioner respectfully urges that no fees are due because the Show Cause Order was improperly issued. Nevertheless, should the USPTO determine that any fees are required to have the Order vacated, including any extension of time fees, the USPTO is authorized to charge Deposit Account No. 50-2929, making reference to Docket Number J10008.

Background

The instant application became abandoned on March 29, 1996, for failure to reply to the Office Action of December 28, 1995. A Notice of Abandonment was mailed on July 22, 1996.

Ron Fedus, patent counsel for the assignee, Enzo Biochem, Inc. ("Enzo"), filed a petition to revive under 37 C.F.R. § 1.137(b) on March 28, 1997.

At that time, 37 C.F.R. § 1.137(b) required a Petitioner to: (i) state that the delay was unintentional; (ii) file a proposed response; and (iii) pay a fee within one year of the date of abandonment. 37 C.F.R. § 1.137(b) (1993); see *also* Manual of Patent Examining Procedure (MPEP) § 711.03(c) 6th Ed., Rev. 2, July 1996 ("A decision on a petition to revive ... under 37 CFR 1.137(b) is based substantially on whether the statement that the delay was unintentional is present along with the required fee and the proposed response.")

In his petition, Mr. Fedus stated that "taking action was unintentionally delayed," "the delay in taking action was unintentional," and that this application became "unintentionally abandoned." Mr. Fedus also filed a proposed reply (an amendment under 37 C.F.R. § 1.115) and paid the required fee within one year of the abandonment. The USPTO granted Mr. Fedus' petition to revive on July 9, 1997. The decision noted that the petition was timely as it was filed within one year of abandonment.

Exactly eleven years later, on July 9, 2008, the USPTO issued the instant Order. The Order requires Enzo to show cause why the USPTO should not vacate its earlier decision reviving the application.

In its Order, the USPTO indicates that during all periods relevant to the decision on petition in this application Enzo was required to “show that the entire delay in filing the required reply from the due date for the reply until the filing of a grantable petition” was unintentional. Order, page 6. The USPTO also contends that Mr. Fedus' testimony in an unrelated deposition proceeding supported an inference that the delay was actually intentional. *Id.* at page 12.

A. The USPTO Is Applying The Wrong Standard For Petitions To Revive Filed In 1997

1. 37 C.F.R. § 1.137(b) Required A Statement That *The Delay* Was Unintentional

The USPTO erroneously asserts that Enzo was required to “show that the entire delay in filing the required reply from the due date for the reply until the filing of a grantable petition” was unintentional. Order, page 6. In fact, such a “showing” was not required for a petition to revive filed in 1997. *See* C.F.R. § 1.137(b) (1993). Rather, Enzo was only required to state that the delay was unintentional, which it did. *Id.* The USPTO accepted Mr. Fedus’ statement and revived the application.

2. The USPTO Has Not Provided Any Evidence That The Delay Was Intentional

The MPEP in effect in 1997 made clear that a petition to revive under 37 C.F.R. § 1.137(b) will generally be granted, unless there is some reason to believe that the abandonment (or the delay) was intentional:

Generally, nothing else is required unless *there is reason to believe that the delay was intentional* such as a letter of intentional abandonment being of record in the abandoned application. In such instance, the Office might inquire as to the circumstances surrounding the abandonment in order to clarify that the abandonment was, in fact, unintentional.

MPEP § 711.03(c) (6th Ed., Rev. 2, July 1996) (emphasis added).

The USPTO has provided no evidence that the delay herein was intentional. Instead, it merely alleges that Mr. Fedus' testimony in an unrelated proceeding, and a purported "pattern" of abandonment and delay, supports an inference that Enzo's delay in this case was intentional. Enzo respectfully submits that neither of these pieces of information supports the Order.

The Federal Circuit has rejected a similar approach by a party in an infringement litigation. Mere assertion and innuendo, rather than direct evidence, cannot be used to make a case that would unfairly force a detailed rebuttal. The USPTO seeks to impart disproportionate weight to the question of delay in cases other than the one herein, and in which the issue has already been decided in Enzo's favor in this case. See *Magnivision, Inc., vs. Bonneau Co.*, 115 F.3d 956, 960, 42 USPQ2d 1925, 1929 (Fed. Cir. 1997) in which the court also noted:

The assertions and innuendos of impropriety were [improperly] magnified by repetition. See *Louisiana Ass'n of Independent Producers and Royalty Owners v. Federal Energy Regulatory Comm'n*, 958 F.2d 1101, 1119 (D.C. Cir. 1992) (a party "cannot, by sheer multiplication of innuendo, overcome the strong presumption of agency regularity") (quoting *United States v. Morgan*, 313 U.S. 409, 421 (1941)).

First, nothing in Mr. Fedus' testimony suggests that he intentionally abandoned the instant application, intentionally delayed filing the Petition to Revive, or intentionally delayed the prosecution of the invention(s) described in this application¹.

Mr. Fedus testified that as far as he could recall, the delay in filing a petition to revive in a different, unrelated application was due in part to "dealing with the previous office action, trying to figure out the response to reply," and "preparing a response to the last office action." Order, page 12. But this testimony is irrelevant to this application or whether its abandonment, or its delay, was intentional. Moreover, even if this testimony was relevant, Mr. Fedus' explanation is reasonable. Once a party realizes that an application has been unintentionally abandoned, it always takes some amount of time to investigate the circumstances that lead to abandonment and prepare and finalize a response. The USPTO has failed to show that Mr. Fedus' actions in this case, or his testimony in an unrelated proceeding, is in any way unreasonable.

Second, the purported "pattern" referenced in the Order relates to abandonments and revivals in *other applications* occurring after the abandonment and revival of this application. But this information has nothing whatsoever to do with this application or whether its delay was intentional.

¹ See *Goss International v. MAN Roland, Inc.*, No. 03-CV-513-SM, 2006 U.S. Dist. LEXIS 53245 at * 5 (court distinguishing between abandonment of an application that may be revived under 37 C.F.R. § 1.137(b) *e.g.*, as evidenced by the filing of a continuation application to further prosecute the disclosed invention, and the irremediable abandonment of the invention itself.) In this case, Enzo continued to prosecute the inventions disclosed in the instant application through subsequent continuing applications.

Accordingly, since Enzo complied with 37 C.F.R. § 1.137(b) in effect at the time the petition to revive was filed, and since the USPTO has not provided any evidence that the delay in this application was intentional, Enzo respectfully requests that the Order be vacated.

B. The Order—Issued Eleven Years After The USPTO's Grant Of Enzo's Petition— Is Unreasonable

Under 37 C.F.R. § 1.137(b), the USPTO "may require additional information where there is a question whether the delay was unintentional." 37 C.F.R. § 1.137(b)(3) (Sept. 20, 1993). The USPTO considered the matter of delay in this application and accepted counsel's statement without requiring additional information. Equity, fairness, and procedural due process estop the USPTO from demanding such information *eleven years* after granting the petition to revive².

Courts have held that an agency may reconsider its decisions so long as it does so "within a reasonable time after the first decision." *See Belville Mining Company v. United States of America*, 999 F.2d 989, 997 (6th Cir. 1993) (citing *Dun & Bradstreet Corp. Found. v. United States Postal Serv.*, 946 F.2d 189, 193 (2d Cir. 1991); *Mazaleski v. Treusdell*, 562 F.2d 701, 720 (D.C. Cir. 1977); *Bookman v. United States*, 453 F.2d 1263, 1265 (Ct. Cl. 1972)). The U.S. Court of Claims has explained that, "absent contrary legislative intent or other affirmative evidence, this court will sustain the reconsidered decision of an agency, as long as the administrative action is conducted within a *short and reasonable time period*." *Belville Mining Company*, 999 F.2d at 1000 (citing *Bookman v. United States*, 453 F.2d at 1265) (emphasis added). The Court of Claims later clarified that "[w]hat is a short and reasonable time period will

² *See In re Zacharin*, 1 USPQ2d 1413, 1417 (Comm'r Pat. 1986) ("[i]t is not in the public interest to permit government employees or Government agencies to belatedly "re-open" appeals to reargue the sufficiency of the evidence or supplement the record.")

vary with each case, but absent unusual circumstances, *the time period would be measured in weeks, not years.*" *Id.* at 1000 (citing *Gratehouse v. United States*, 512 F.2d 1104, 1109 (Ct. Cl. 1975)) (emphasis added). The court added that since this reasonable time period has run, 'there is no longer an opportunity to correct the procedural error retroactively.' *Id.* at 997 (citing *Gratehouse*, 512 F.2d at 1109).

What constitutes a "short and reasonable time" within which an agency may reconsider its decisions will depend on the facts of each case. *See Gratehouse*, 512 F.2d at 1104, 1109. Nevertheless, numerous courts have found that periods of more than one year are not "short and reasonable time[s]." *See id.* at 1110 (holding that a "hearing 2 years after a hearing could have been held was far too late to qualify as reconsideration."); *C.J. Langenfelter & Son, Inc. v. United States*, 341 F.2d 600, 604 (Ct. Cl. 1965) (holding that reconsideration made more than a year after original decision was "much more than a 'reasonable period.'"); *Gabbs Exploration Co. v. Udall*, 315 F.2d 37 (D.C. Cir. 1963) (holding passage of 27 years made agency reconsideration untimely); *Umpleby v. Udall*, 285 F.Supp. 25, 30 (D. Colo. 1968) (holding reconsideration after 16 years to be untimely).

In this case, the USPTO is reconsidering the grant of a petition to revive made *11 years ago*. This is far more than a "short and reasonable" time. As a result, Enzo is placed at an unfair disadvantage. Indeed, there are numerous problems associated with long lapses in time, including, for example, faded memories. That is certainly true in this case. *See, e.g.,* Order at page 12 ("attorney Fedus explains the delay *to the extent that he can recall...*") (emphasis added). The USPTO has thus exceeded its authority in seeking to reconsider its

eleven year-old decision to revive this application. Accordingly, Enzo respectfully requests that the Order be vacated.

C. Relief Requested

As discussed above, it is respectfully requested that the USPTO provide the following relief:

- 1) Vacate the Order issued in the above-captioned application as an untimely attempt to reconsider a previous decision of the USPTO and as being based on insufficient evidence that the earlier grant of the petition under 37 C.F.R. § 1.137(b) was improper;
- 2) Expunge from the public record any mention of this confidential application currently referenced in the Order to Show Cause as requested in a concurrently filed petition to Expunge under 37 C.F.R. § 1.181; and
- 3) Reset the time period for responding to the Order to Show Cause to run from the date of decision on the concurrently filed Request to Expunge.

D. Conclusion

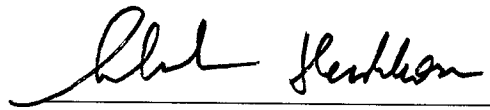
In view of the above remarks, early notification of a favorable consideration is respectfully requested.

Respectfully submitted,

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Dated: November 11, 2008

By:



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